

ERECT FUND PERFORMANCE SUMMARY AT DECEMBER 31, 2012					
	<u>Quarter</u>	<u>One Year</u>	<u>Compound Annual Rates of Return</u>		
			<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
ERECT FUND II / Equity	1.91%	12.10%	10.24%	5.05%	8.14%
Gross of Fees	2.14%	13.13%	11.37%	6.14%	9.30%

ERECT Fund II / Equity

At December 31, 2012, ERECT Fund II posted a net return of 1.91% for the quarter and a twelve-month return of 12.10%. Primary factors impacting both the fourth quarter and the twelve month period were the posting of ordinary income as well as unrealized gains recognized on Turnpike Distribution Center. During the quarter, the Fund produced \$684,262 of income and posted an unrealized gain of \$392,488. The appraised value of Turnpike Distribution Center increased significantly during the year as occupancy rose from 71% to 100%. Overall, for the year, appreciation and income gains represented 58.5% and 41.4% of the annual return, respectively.

At year end, the Fund reported total cash of \$13.6 million, of which \$4.0 million is being reserved for investment into a new project known as North Shore Place I and II. ERECT approved this new \$5.7 million investment during the fourth quarter and closing is anticipated to occur in 2013. The project entails the construction of two buildings on the North Shore, which are proposed to include approximately 82,865 square feet of office space and 40,454 square feet of retail space.